

## Audited Abridged Financial Results For the year ended 31 December 2020

### CHAIRMAN'S STATEMENT

#### ECONOMIC OVERVIEW

The COVID-19 pandemic had a huge and unanticipated impact on the political, social and economic structure of communities across the globe. The Government, like elsewhere in the world, responded with progressive lockdowns to manage the spread of the virus and this had a far-reaching negative impact on the level of economic activity. The Group has not been spared from the effects of the downturn. Like other entities, the Group adjusted its business processes mainly through the use of technology, to continue to meet the expectations of its customers and other stakeholders.

Gross Domestic Product initially projected, by the Ministry of Finance and Economic Development to grow by 3% in 2020, was revised downwards and is estimated to have contracted by 4.1%. The negative performance largely stemmed from the lower than anticipated output in the key industries of mining and tourism though this downward trend was moderated by growth in power generation, health, food processing related manufacturing industries and nickel exports as an outlier in the mining sector. Although ZIMRA statistics indicated that Zimbabwe recorded a negative trade balance for 2020, the extent of the deficit was 30% of the average recorded during the United States dollar era. In addition, there were significant inflows from the Diaspora community which resulted in the country achieving a positive capital account for 2020. While foreign currency supplies improved in the second half of the year, the fragility of the exchange rate remains a key risk as the Reserve Bank of Zimbabwe Dutch Auction system for foreign currency has seen settlement delays and indications of a widening rift between the official exchange rate and alternative market rate. Such a situation has the potential to drive rent seeking behaviour that could negatively affect the exchange rate stability currently being experienced. The inflation rate significantly declined in the second half of the year from a year-on-year inflation high of 837.5% in July 2020 to 348.6% by December 2020 and further to 240.6% by March 2021. The slow down in inflation has been supported by the better value retaining capabilities of the local currency which has seen limited forward pricing by stakeholders in industry and commerce.

The Zimbabwe Stock Exchange ("ZSE") All Share Index gained 1,045.9% during 2020, outpacing both inflation and exchange rate movements thereby resulting in real value gains for listed equity asset class holders. The Group has maintained its position that, in times of turbulence, quoted equities remain a viable long-term asset class and will continue to diversify its real assets portfolio with investments in areas such as private equity and property. Prudent asset class selection amongst these real assets is required in the future should the stability of macro-economic variables remain uncertain.

#### REGIONAL DEVELOPMENTS

The Group acquired, through its subsidiary NicosDiamond Insurance Company Limited, a controlling stake in Diamond Companhia de Seguros ("Diamond Seguros"), a general insurance company incorporated and domiciled in Mozambique, on 24 November 2020 following the completion of a rights offer by that company. Diamond Seguros had been an associate of the Group prior to the attainment of control. The Group is also strengthening its reinsurance operations through a capital raise in Botswana.

#### FINANCIAL HIGHLIGHTS

In October 2019 the Public Accountants and Auditors Board concluded that conditions for applying Financial Reporting in Hyperinflation Economies (International Accounting Standard (IAS) 29) had been met in Zimbabwe. The historical cost financial results have been restated to take account of changes in the purchasing power of the local currency during the year. Inflation adjusted financial results therefore represent the main financial statements with historical cost financials providing supplementary information.

#### Comprehensive income highlights

	Inflation adjusted		Historical cost	
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
	ZWL000	ZWL000	ZWL000	ZWL000
Gross Premium Written (GPW)	5,943,666	5,812,767	4,127,231	565,162
Net Premium Earned	4,174,228	4,259,225	2,916,579	393,391
Rental income	257,406	235,439	174,758	23,288
Investment income	346,255	(1,762,260)	1,464,678	215,025
Profit before income tax	2,136,923	1,396,269	6,042,925	933,313
Profit for the period	2,343,227	123,970	5,263,774	658,180

#### Financial position highlights

	Inflation adjusted		Historical cost	
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
	ZWL000	ZWL000	ZWL000	ZWL000
Total assets	15,477,411	10,788,040	14,990,971	2,307,908
Cash generated from operations	1,573,404	(13,757)	887,061	192,859

#### Share performance

	Inflation adjusted		Historical cost	
	31 Dec 2020	31 Dec 2019	31 Dec 2020	31 Dec 2019
Market price per share (cents)	959	139	959	31
Basic earnings per share (cents)	174	(48)	412	48

#### FINANCIAL PERFORMANCE

##### Statement of comprehensive income

Gross Premium Written ("GPW") at \$5.9 billion grew by 2% in inflation adjusted terms as a result of organic growth on the existing portfolio and the continuous revaluation of insurance policy values in line with inflation to ensure clients had adequate cover.

Rental income for the year amounted to \$257 million and was ahead of prior year by 9%. The real growth, relative to prior year, was due to quarterly rental reviews and increases in occupancy rates in retail and residential properties.

The Group achieved investment income of \$346 million for the year under review compared to an investment loss of \$1.8 billion in 2019. The investment gains were driven by fair value gains on listed and unlisted equities in line with the general performance of the ZSE Industrial Index.

##### Statement of financial position

The Group's total assets appreciated in value by 43% at 31 December 2020 compared to 31 December 2019. The increase is mainly attributable to the fair value adjustment on investment properties and listed equities as well as revaluation of net foreign currency denominated assets.

#### SUSTAINABILITY

The Group remains committed to upholding sustainability principles in all business activities. Despite the challenges created by the COVID-19 outbreak, embedding sustainability enabled us, through a proactive mindset, to cope with future challenges. We remain committed to providing sustainable financial services which are responsive to emerging trends of risks and challenges faced by our clients. In the last quarter of the year, the Group commenced the process to implement a solar powered energy solution for our head office in Harare. While the

COVID-19 pandemic may have created unforeseen challenges, the Group remains optimistic of opportunities for business growth.

#### FIRST MUTUAL IN THE COMMUNITY

Despite the difficult operating environment fuelled by the COVID-19 pandemic, First Mutual continues to actively contribute to the community in which we operate. We contributed to the national effort to mitigate the impact of COVID-19 on vulnerable members of the community. In addition, we continue to provide educational assistance to selected children in need from primary school to tertiary level through the First Mutual Foundation and the First Mutual Reformed Church University Scholarship based on humanitarian need and academic merit. The Group is also playing a key role in equipping university students with financial literacy education through its Future First programme and providing support to cancer awareness programs. Donations of non-perishable goods and clothing have been made to selected charitable organisations through our Employee Corporate Social Responsibility initiative.

#### OUTLOOK

The Ministry of Finance and Economic Development is projecting that the economy will rebound with a growth of 7.4% expected in 2021 supported by recovery of the agriculture sector and monetary and fiscal stability.

A globally sustainable vaccination programme is expected to slow down the impact of COVID-19 and facilitate the opening up of economies across the globe. There are currently several vaccines that have been developed and the Government received several consignments as part of the public vaccination programme.

The Group will leverage on its diverse business portfolio, strategic partnerships, as well as its regional footprint to sustain a positive growth trajectory into the future.

#### DIRECTORATE

In line with the principles of good governance that require periodic rotation of directors and board revitalisation, Mr Oliver Mtasa stepped down as a director and Chairman of the Board with effect from 7 August 2020.

Mr Mtasa had been a board member since 2012 and Chairman of the FMHL Group since 2014. He oversaw significant growth in the Group both organic and through acquisition and integration of a key SBU, NicosDiamond Insurance. The Group benefitted immensely from his wise and professional leadership.

Mrs Daphne Tomana, a non-executive member of the board resigned with effect from 1 August 2020. Mrs Tomana had served the Board since July 2018.

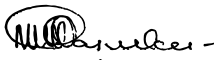
I would like to convey the Board's heartfelt appreciation to Mr Mtasa and Mrs Tomana for their dedication, professionalism, hard work and invaluable contribution to the Group. I was appointed as Chairman of the First Mutual Holdings Limited Group Board with effect from 7 August 2020.

#### DIVIDEND

On 4 May 2021, the Board resolved that a final dividend of \$50 million, being 6.88 cents per share be declared from the profits of the Group for the year ended 31 December 2020. This brings the total dividend for the year to \$70 million, being 9.63 cents per share. The dividend will be payable on or about 25 June 2021 to all shareholders of the Company registered on close of business on 18 June 2021. The shares of the company will be traded cum-dividend on the ZSE up to 15 June 2021 and ex-dividend as from 16 June 2021.

#### APPRECIATION

On behalf of the Board, I would like to extend my gratitude to our customers, regulators and other stakeholders for their support during the year under review. We especially appreciate the commendable efforts by employees in executing their duties during the current difficult COVID-19 environment. Finally, I wish to thank my fellow board members for their support, as well as open and honest contributions.



Amos Manzai  
Chairman

04 May 2021

### GROUP CHIEF EXECUTIVE OFFICER'S REVIEW OF OPERATIONS

The Group has remained focused on delivering its promise on the core pillars of risk management, wealth creation and wealth management. Economic developments and policy pronouncements during the year, as highlighted in the Chairman's statement, had an impact on the operations of the Group but through initiatives such as product innovation, service excellence and strategic partnerships, we were able to mitigate against the loss of value for our stakeholders.

#### OPERATIONS REVIEW

The commentary below relates to the unconsolidated performance of each subsidiary, unless stated otherwise.

#### LIFE AND PENSIONS BUSINESS

##### First Mutual Life Assurance Company (Private) Limited

GPW decreased by 38% to \$523.3 million partly due to below inflation adjustments to basic salaries that drive the Employee Benefits (pensions and group life assurance) division. Revenue growth was also negatively affected by the slow pace in increasing life cover amounts in the individual life division. The company adjusted its operating structure to align to changing market preferences and continued to invest in the funeral services unit. In March 2020, the Insurance and Pension Commission (IPEC) issued a Guideline for the conversion of insurance and pension values in response to the currency reforms implemented by Government during the period from October 2018 to June 2019. The Guideline was implemented under Statutory Instrument 69 of 2020. One of the effects of the Guideline was that it obligated the company to transfer \$187 million to policyholders under the Funeral Cash Plan (FCP) at 31 December 2018. While this transfer was outside the existing contractual provisions with these FCP policyholders, the company provisionally effected them to enhance the value proposition for customers that have supported the business. The transfer contributed to the diminished performance during the year.

#### HEALTH BUSINESS

##### First Mutual Health Company (Private) Limited

On an inflation adjusted basis, the GPW grew by 23% to \$2 billion mainly due to increases in ZWL member contributions as the company sought to reduce shortfalls and align tariff rates to inflation and thus reduce shortfalls. The company also experienced growth in foreign currency

denominated premiums which tend to have lower shortfalls. The claims ratio decreased from 76.64% to 73.12% owing to limited access to some discretionary procedures such as dental treatment during the lockdowns. Membership declined from 144,255 members in December 2019 to 131,196 members by December 2020 indicating the negative impact of the COVID-19 pandemic on the capacity of some clients to continue paying for membership.

#### SHORT-TERM INSURANCE BUSINESS

##### NicosDiamond Insurance Company Limited

GPW grew by 3% to \$2.1 billion driven by asset revaluations to protect clients against insurance value erosion by inflation and organic growth within the existing portfolios. The claims ratio declined to 35% (2019: 50%) due to COVID-19 induced lockdowns that restricted movement and hence lower claims incidences.

##### Diamond Seguros

Diamond Seguros migrated from an associate to a subsidiary following the completion of a recapitalisation exercise in 2020. GPW grew by 20% in 2020 as a result of improved broker business due to improved confidence after recapitalisation of the business. The claims ratio at 20% was lower than the comparative period of 33% due to the lockdowns. The business turned around from a loss position of USD135,000 in 2019 to a profit of USD153,000 in 2020. The company has embarked on a rights issue in 2021 to raise approximately US\$900 000 capital to meet the enhanced regulatory minimum capital requirements. The Group intends to follow its rights and underwrite the capital raise.

#### REINSURANCE BUSINESS

##### First Mutual Reinsurance Company Limited - Zimbabwe

GPW decreased by 48% to \$365.5 million mainly due to increased retention levels by cedants following the introduction of the Zimbabwe dollar as the sole currency in June 2019. The adjustment of this policy in July 2020 to permit the payment for goods and services in local and foreign currency led to an increase in USD policies which led to more business for reinsurers in the second half of the year. The claims ratio deteriorated to 64% in 2020 from 52% in 2019 due to more prudent provisioning for future claims.

##### FMRE Property and Casualty (Proprietary) Limited - Botswana

GPW grew by 10% to \$1.2 billion in 2020. The growth was 15% in Botswana Pula terms, at BWP177.4 million, driven by improved local and international treaty participation and growth of specialist lines of business under the casualty segment. The claims ratio was maintained at 41% in 2020 as was the case in 2019.

#### PROPERTY AND WEALTH MANAGEMENT BUSINESSES

##### First Mutual Properties Limited

Revenue marginally increased by 2% to \$265.7 million in 2020. The growth was due to rental reviews in line with the inflationary environment and increase in the occupancy rates from 85.70% in 2019 to 87.67% in 2020. Independent investment property valuations as at 31 December 2020 resulted in increases in the investment property portfolio value.

##### First Mutual Wealth Management (Private) Limited

Investment fees decreased by 35% to \$16 million in inflation adjusted terms mainly due to the below inflation performance in the first quarter of 2020 of some components of funds under management. This had a negative impact on monthly fee income at the beginning of the year. During the period, the business made significant strides in attracting third-party funds and this trend is expected to continue in the future.

#### SUSTAINABILITY

The COVID-19 pandemic had a severe impact on many businesses and the emotional wellbeing of communities in our nation. The first priority was the adoption of a proactive COVID-19 mitigation strategy in the Group to protect the safety of our employees and stakeholders. We invested in remote working and provided psychosocial support as necessary to manage the financial and social challenges that the pandemic created for our staff. We believe our sustainability strategy was instrumental in providing the necessary resilience and actions to minimise the impact on our business. We remain optimistic of new growth opportunities from reimagining future sustainable financial services.

#### HUMAN CAPITAL

We believe that investment in human capital is essential to achieve our business strategy. Therefore, we continue to invest in talent and human capital retention and development through various programmes which include migrating towards online platforms in response to physical distancing measures which are expected to continue for the foreseeable future.

#### CORONAVIRUS PANDEMIC

There has been global disruption in supply chains and increase the cost of doing business due to the pandemic. The Group will retain resources to respond as necessary to the impact of the pandemic.

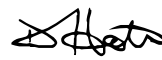
We express our sympathy to the victims of the pandemic and their families. First Mutual is doing everything it can to protect the health of its clients, staff members and their families by adhering to the safety measures as detailed by the World Health Organisation and the Ministry of Health and Child Care.

#### LOOKING AHEAD

The Group's solid balance sheet, coupled with robust strategies, are expected to deliver sustainable growth and value creation for all our stakeholders, despite a turbulent operating environment and the pandemic. We have confidence in the country's medium-term economic prospects and will thus continue to invest in core businesses and complementary areas. Key developments during 2021 will include the recapitalisation of our insurance subsidiary in Mozambique, Diamond Seguros, to meet regulatory capital requirements and recapitalising it to underwrite health insurance business. Furthermore, First Mutual Health has embarked on a forward integration strategy whose initial phase is to expand the clinic network and open pharmacies through partnership arrangements. This will enable First Mutual Health to better control the value chain, compliment the suppliers and increase business competitiveness. The completion of the foreign capital raise for the reinsurance units will lead to increased revenue and presence in the region and enhance opportunities for further strategic alliances.

#### APPRECIATION

I would like to thank all our stakeholders for the continued trust you have placed in the First Mutual Group. We remain a reliable partner, more so in these challenging times, and will continue to Go Beyond as we strive to exceed your expectations.



Douglas Hoto  
Group Chief Executive Officer

04 May 2021

# Audited Abridged Financial Results

## For the year ended 31 December 2020

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED 31 DECEMBER 2020

Note	INFLATION ADJUSTED		HISTORICAL COST	
	AUDITED 31-Dec-20 ZWL000	AUDITED 31-Dec-19 ZWL000 Restated*	UNAUDITED 31-Dec-20 ZWL000	UNAUDITED 31-Dec-19 ZWL000
Gross premium written	5,943,666	5,812,767	4,127,231	565,162
Reinsurance	(1,538,012)	(1,400,723)	(1,183,181)	(163,873)
<b>Net premium written</b>	<b>4,405,654</b>	<b>4,412,044</b>	<b>2,944,050</b>	<b>401,289</b>
Unearned premium reserve	(231,426)	(152,819)	(27,471)	(7,898)
<b>Net premium earned</b>	<b>4,174,228</b>	<b>4,259,225</b>	<b>2,916,579</b>	<b>393,391</b>
Rental income	257,406	235,439	174,758	23,288
Fair value adjustments - investment property	3,258,495	2,272,500	8,184,676	1,267,517
Investment income	346,255	(1,762,260)	1,464,678	215,025
Interest income	11,289	80,976	9,825	5,641
Fee income:				
- Insurance contracts	197,714	29,920	123,685	3,234
- Investment contracts	1,678	118,333	602	12,604
Other income	248,106	47,744	87,402	3,543
Foreign currency exchange gain/(loss)	288,566	485,171	406,183	35,998
Monetary gain/(loss) - IAS29	(1,116,507)	(1,647,115)	-	-
<b>Total income</b>	<b>7,667,230</b>	<b>4,119,933</b>	<b>13,368,388</b>	<b>1,960,241</b>
<b>EXPENDITURE</b>				
Pension benefits	(80,622)	(173,226)	(57,811)	(17,584)
Insurance claims and loss adjustment expenses	(2,253,465)	(2,078,390)	(1,731,146)	(208,847)
Insurance claims and loss adjustment expenses recovered from reinsurers	171,189	219,219	125,461	15,272
<b>Net insurance benefits and claims</b>	<b>(2,162,898)</b>	<b>(2,032,397)</b>	<b>(1,663,496)</b>	<b>(211,159)</b>
Movement in insurance contracts and investment contracts with DPF	(1,153,439)	780,757	(3,602,820)	(568,050)
Movement in shareholder risk reserve	119,533	(205,628)	26,647	(14,977)
Investment profit on investment contract liabilities	(265,289)	575,717	(422,092)	(28,847)
Movement in member assistance fund	(14,251)	-	(8,323)	-
Acquisition of insurance and investment contracts expenses	(261,126)	(347,617)	(247,947)	(38,549)
Administration expenses	(1,568,812)	(1,370,578)	(1,191,493)	(143,308)
Allowance for expected credit losses	(220,954)	(101,889)	(212,733)	(19,125)
Finance cost	(1,340)	(3,019)	(1,290)	(367)
<b>Total expenditure</b>	<b>(5,528,576)</b>	<b>(2,704,654)</b>	<b>(7,323,547)</b>	<b>(1,024,382)</b>
Profit before share of loss of associate	2,138,654	1,415,279	6,044,841	935,859
Share of loss of associate	(1,731)	(19,010)	(1,916)	(2,546)
<b>Profit before income tax</b>	<b>2,136,923</b>	<b>1,396,269</b>	<b>6,042,925</b>	<b>933,313</b>
Income tax expense	206,304	(1,272,299)	(779,151)	(275,133)
<b>Profit for the period</b>	<b>2,343,227</b>	<b>123,970</b>	<b>5,263,774</b>	<b>658,180</b>
<b>Other comprehensive income/(loss)</b>				
<b>Other comprehensive income/(loss) to be reclassified to statement of comprehensive income in subsequent period</b>				
Exchange gains on translating foreign operations	265,654	275,099	483,748	61,326
Share of other comprehensive income from associates	17,838	475	17,838	106
<b>Other comprehensive income/(loss) to be reclassified to statement of comprehensive income in subsequent periods</b>	<b>283,492</b>	<b>275,574</b>	<b>501,586</b>	<b>61,432</b>
<b>Total comprehensive profit for the period</b>	<b>2,626,719</b>	<b>399,544</b>	<b>5,765,360</b>	<b>719,612</b>
<b>Profit attributable to:</b>				
Non-controlling interest	1,083,765	470,848	2,278,685	309,163
Equity holders of the parent	1,259,462	(346,878)	2,985,089	349,018
<b>Profit for the period</b>	<b>2,343,227</b>	<b>123,970</b>	<b>5,263,774</b>	<b>658,181</b>
<b>Comprehensive income attributable to:</b>				
Non-controlling interest	1,083,765	470,848	2,278,685	309,163
Equity holders of the parent	1,542,954	(71,304)	3,486,675	410,449
<b>Total comprehensive income for the period</b>	<b>2,626,719</b>	<b>399,544</b>	<b>5,765,360</b>	<b>719,612</b>
Basic earnings per share (cents)	173.85	(48.07)	412.06	48.36
Diluted earnings per share (cents)	173.07	(48.02)	410.21	48.32
Headline earnings per share (cents)	165.30	(65.44)	406.70	47.03
Diluted headline earnings per share (cents)	165.14	(65.35)	406.30	46.96

\* Refer to note 18.1 for more detail on the restatement.

### STATEMENTS OF FINANCIAL POSITION

AS AT 31 DECEMBER 2020

Note	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	UNAUDITED GROUP 30-Dec-20 ZWL000	AUDITED GROUP 31-Dec-19 ZWL000	UNAUDITED GROUP 30-Dec-20 ZWL000	AUDITED GROUP 31-Dec-19 ZWL000	UNAUDITED COMPANY 30-Dec-20 ZWL000	AUDITED COMPANY 31-Dec-19 ZWL000	UNAUDITED COMPANY 30-Dec-20 ZWL000	AUDITED COMPANY 31-Dec-19 ZWL000
<b>ASSETS</b>								
Property, plant and equipment	230,578	228,939	55,827	18,499	2,964	2,832	169	131
Investment property	9,549,054	6,339,303	9,549,054	1,413,176	-	-	-	-
Right of use of assets - IFRS 16	17,772	85,033	17,772	3,068	23,705	16,284	2,808	1,030
Goodwill	15,735	-	15,735	-	-	-	-	-
Other intangible assets	22,598	38,059	669	2,693	-	-	-	-
Investment in subsidiaries	-	-	-	-	3,189,488	2,540,843	3,837,074	505,609
Investment in associates	354,302	133,474	172,213	10,352	-	-	-	-
Financial assets:								
- Equity securities at fair value through profit or loss	2,129,191	1,564,518	2,129,191	348,767	113,025	68,356	113,025	15,238
- Debt securities at amortised cost	82,462	42,239	82,462	9,416	-	-	-	-
Deferred acquisition costs	98,279	109,170	56,783	7,648	-	-	-	-
Income tax asset	319	525	319	117	-	-	-	-
Non-current assets held for sale	48,818	-	48,818	-	-	-	-	-
Inventory	26,100	58,295	14,545	6,309	1,543	588	507	131
Insurance, tenant and other receivables	1,242,793	934,617	1,188,173	208,347	68,590	24,205	68,590	5,396
Cash and balances with banks	1,659,410	1,253,868	1,659,410	279,516	11,542	21,625	11,542	4,821
<b>TOTAL ASSETS</b>	<b>15,477,411</b>	<b>10,788,040</b>	<b>14,990,971</b>	<b>2,307,908</b>	<b>3,410,857</b>	<b>2,674,733</b>	<b>4,033,715</b>	<b>532,356</b>
<b>EQUITY AND LIABILITIES</b>								
<b>Equity attributable to equity holders of the parent</b>								
Share capital	27,795	27,788	727	724	27,795	27,788	727	723
Share premium	1,500,349	1,499,590	39,417	39,045	1,500,349	1,499,590	39,417	39,045
Non-distributable reserves	593,124	546,298	569,160	68,229	33,933	34,421	567	806
Retained profits	1,107,316	(342,010)	3,352,408	389,819	1,783,446	1,085,081	3,927,670	485,572
<b>Total equity attributable to equity holders of the parent</b>	<b>3,228,584</b>	<b>1,731,666</b>	<b>3,961,712</b>	<b>497,817</b>	<b>3,345,523</b>	<b>2,646,880</b>	<b>3,968,381</b>	<b>526,146</b>
Non-controlling interests	3,267,437	2,163,381	2,653,035	350,636	-	-	-	-
<b>Total equity</b>	<b>6,496,021</b>	<b>3,895,047</b>	<b>6,614,747</b>	<b>848,453</b>	<b>3,345,523</b>	<b>2,646,880</b>	<b>3,968,381</b>	<b>526,146</b>
<b>Liabilities</b>								
Life insurance contracts with and without DPF and investment contracts with DPF liabilities	4,493,874	3,157,406	4,493,874	703,858	-	-	-	-
Investment contract liabilities without DPF	466,919	204,732	466,919	45,639	-	-	-	-
Shareholder risk reserves	-	119,533	-	26,647	-	-	-	-
Member assistance fund	9,041	-	9,041	-	-	-	-	-
Lease liability - IFRS 16	14,594	14,821	14,594	3,304	3,199	4,763	3,199	1,062
Share based payment liability	90,962	22,510	90,962	5,018	32,195	5,920	32,195	1,320
Insurance contract liabilities - short term	2,374,827	1,685,287	1,806,597	307,555	-	-	-	-
Insurance liabilities - life assurance	17,857	18,297	17,857	4,079	-	-	-	-
Other payables	437,302	362,453	437,302	80,800	29,940	17,170	29,940	3,828
Deferred income tax	1,010,385	1,304,083	973,449	281,692	-	-	-	-
Current income tax liabilities	65,629	3,871	65,629	863	-	-	-	-
<b>Total liabilities</b>	<b>8,981,390</b>	<b>6,892,993</b>	<b>8,376,224</b>	<b>1,459,455</b>	<b>65,334</b>	<b>27,853</b>	<b>65,334</b>	<b>6,210</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>15,477,411</b>	<b>10,788,040</b>	<b>14,990,971</b>	<b>2,307,908</b>	<b>3,410,857</b>	<b>2,674,733</b>	<b>4,033,715</b>	<b>532,356</b>

The historical cost information has been shown as supplementary information for the benefit of users. This information does not comply with the International Financial Reporting Standards in that it has not taken into account the requirements of International Accounting Standard 29 - Financial Reporting in Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on this historic financial information.



# FIRST MUTUAL

## MICROFINANCE

Go Beyond

# We help you Go Beyond

We give the most affordable SME Loans because we want to see you grow beyond your imagination. At First Mutual Microfinance, we want you to see a world where anything is possible for your business.

We dare you to find a more affordable loan.

**HARARE**  
First Mutual Microfinance,  
NicozDiamond House, 30 Samora  
Machel Avenue, Harare, Zimbabwe  
**Tel:** +263-242-704911-4/  
+263 772 544 439/ 777 828 902/  
775 234 345  
**info@firstmutualmicrofinance.co.zw**  
**www.firstmutual.co.zw**

**BULAWAYO**  
First Mutual Building Cnr 9th Avenue  
and Jason Moyo Street, Bulawayo  
**Tel:** +263 292-880537  
**Mobile:** +263 719 244 319/  
775 095 169/ 772 953 491

**CHIREZI**  
Office B61 Chilonga Drive, Inbetween  
Barclays and Stanchart Building,  
Chiredzi  
**Tel:** +263 312 312 545  
**Mobile:** +263 777 815 947/  
719 157 926/ 775 125 640

**HARARE**  
99 Jason Moyo Avenue, Between 4th  
and 3rd Avenue, Harare  
**Tel:** +263 242 798 517-23  
**Mobile:** +263 775 234 345



### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD ENDED 31 DECEMBER 2020

INFLATION ADJUSTED	Share		Non-premium distributable reserves	Retained Earnings	Total equity for parent	Non-controlling interest	Total equity
	Share capital	premium					
	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000
As at 1 January 2019	27,760	1,497,694	259,143	43,069	1,827,666	1,708,702	3,536,368
Profit for the year	-	-	-	(346,878)	(346,879)	470,848	123,969
Other comprehensive income	-	-	275,574	-	275,574	-	275,574
<b>Total comprehensive (loss)/income</b>	-	-	<b>275,574</b>	<b>(346,878)</b>	<b>(71,305)</b>	<b>470,848</b>	<b>399,544</b>

#### Transactions with shareholders in their capacity as owners

Issue of shares	28	1,896	(1,924)	-	-	-	-
Share based payments	-	-	13,505	-	13,505	-	13,505
Acquisition of non-controlling interest	-	-	-	5,195	5,195	(10,723)	(5,528)
Dividend declared and paid	-	-	-	(43,396)	(43,396)	(5,446)	(48,842)

As at 31 December 2019 **27,788 1,499,590 546,298 (342,010) 1,731,666 2,163,381 3,895,047**

As at 1 January 2020	27,788	1,499,590	546,298	(342,010)	1,731,666	2,163,381	3,895,047
Reclassification to retained earnings	-	-	(235,762)	235,762	-	-	-
Profit for the period	-	-	-	1,259,462	1,259,462	1,083,765	2,343,227
Other comprehensive income	-	-	283,076	-	283,076	415	283,491
<b>Total comprehensive income</b>	-	-	<b>47,314</b>	<b>1,495,224</b>	<b>1,542,538</b>	<b>1,084,180</b>	<b>2,626,718</b>

#### Transactions with shareholders in their capacity as owners

Issue of shares - share options	7	759	(766)	-	-	-	-
Share based payments	-	-	278	-	278	-	278
Acquisition of non-controlling interest	-	-	-	-	-	26,575	26,575
Dividend declared and paid	-	-	-	(45,898)	(45,898)	(6,699)	(52,597)

As at 31 December 2020 **27,795 1,500,349 593,124 1,107,316 3,228,584 3,267,437 6,496,021**

### HISTORICAL COST

	Share		Non-premium distributable reserves	Retained profits	Total equity for parent	Non-controlling interest	Total equity
	Share capital	premium					
	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000
As at 1 January 2019	721	38,844	6,674	44,191	90,430	42,224	132,654
Profit for the year	-	-	-	349,018	349,018	309,163	658,181
Other comprehensive income	-	-	61,432	-	61,432	-	61,432
<b>Total comprehensive income</b>	-	-	<b>61,432</b>	<b>349,018</b>	<b>410,450</b>	<b>309,163</b>	<b>719,613</b>

#### Transactions with shareholders in their capacity as owners

Issue of shares - share options	3	201	(204)	-	-	-	-
Share based payments	-	-	327	-	327	-	327
Acquisition of non-controlling interest	-	-	-	260	260	(537)	(277)
Dividend declared and paid	-	-	-	(3,650)	(3,650)	(214)	(3,864)

As at 31 December 2019 **724 39,045 68,229 389,819 497,817 350,636 848,453**

As at 1 January 2020	724	39,045	68,229	389,819	497,817	350,636	848,453
Profit for the period	-	-	-	2,985,089	2,985,089	2,278,685	5,263,774
Other comprehensive income	-	-	501,170	-	501,170	415	501,585
<b>Total comprehensive income</b>	-	-	<b>501,170</b>	<b>2,985,089</b>	<b>3,486,259</b>	<b>2,279,100</b>	<b>5,765,359</b>

#### Transactions with shareholders in their capacity as owners

Issue of shares - share options	3	372	(375)	-	-	-	-
Share based payments	-	-	136	-	136	-	136
Acquisition of non-controlling interest	-	-	-	-	-	26,575	26,575
Dividend declared and paid	-	-	-	(22,500)	(22,500)	(3,276)	(25,776)

As at 31 December 2020 **727 39,417 569,160 3,352,408 3,961,712 2,653,035 6,614,747**

### CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 DECEMBER 2020

	INFLATION ADJUSTED		HISTORICAL COST	
	AUDITED 31-Dec-20	AUDITED 31-Dec-19	UNAUDITED 31-Dec-20	UNAUDITED 31-Dec-19
	ZWL000	ZWL000	ZWL000	ZWL000
<b>Profit before income tax</b>	<b>2,136,923</b>	<b>1,396,269</b>	<b>6,042,925</b>	<b>933,313</b>
Total non-cash and separately disclosed items	(592,303)	(1,639,700)	(5,507,502)	(891,235)
<b>Operating cash flows before working capital changes</b>	<b>1,544,620</b>	<b>(243,431)</b>	<b>535,423</b>	<b>42,078</b>
Working capital changes	28,784	229,674	351,638	150,781
<b>Cash (utilised in)/generated from operations</b>	<b>1,573,404</b>	<b>(13,757)</b>	<b>887,061</b>	<b>192,859</b>
Finance costs on lease liability	(1,340)	(3,019)	(1,290)	(367)
Interest received	11,289	80,976	9,825	5,641
Tax paid	(40,427)	(122,934)	(19,817)	(8,564)
<b>Net cash flows (utilised in)/ generated from operating activities</b>	<b>1,542,926</b>	<b>(58,734)</b>	<b>875,779</b>	<b>189,569</b>
<b>Net cash flow used in investing activities</b>	<b>(124,645)</b>	<b>(587,507)</b>	<b>(209,068)</b>	<b>(16,692)</b>
<b>Net cash flow used in financing activities</b>	<b>(67,145)</b>	<b>(55,169)</b>	<b>(32,907)</b>	<b>(4,343)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>1,351,136</b>	<b>(701,410)</b>	<b>633,804</b>	<b>168,534</b>
Cash and cash equivalents at the beginning of the year	1,253,868	1,229,197	279,516	61,084
Effects of exchange rate changes on cash and cash equivalents	(250,279)	150,914	746,090	49,897
Effects of inflation on cash and cash equivalents	(695,315)	575,167	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>1,659,410</b>	<b>1,253,868</b>	<b>1,659,410</b>	<b>279,515</b>

The historical cost information has been shown as supplementary information for the benefit of users. This information does not comply with the International Financial Reporting Standards in that it has not taken into account the requirements of International Accounting Standard 29 - Financial Reporting in Hyperinflationary Economies. As a result, the auditors have not expressed an opinion on this historic financial information.

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1 Corporate information

The main business of First Mutual Holdings Limited ("the Company") and its subsidiaries (together the "Group") is that of provision of life and funeral assurance, health insurance, short term insurance, reinsurance, property management and development and wealth management. First Mutual Holdings Limited is a public company, incorporated and domiciled in Zimbabwe whose shares are publicly traded on the Zimbabwe Stock Exchange.

### NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1 Corporate information

The ultimate parent of the Company is National Social Security Authority ("NSSA") which owns 66.22% (2019: 66.46%) directly and an additional 7.10% (2019: 10.59%) indirectly through Capital Bank Limited (under liquidation). NSSA owns 87% (2019: 87%) of Capital Bank Limited.

The registered office is located at Second Floor, First Mutual Park, 100 Borrowdale Road, Borrowdale, Harare, Zimbabwe. The consolidated historical and inflation adjusted financial statements of the Company and the Group for the year ended 31 December 2020 were authorised for issue in accordance with a resolution of the Directors at a meeting held on 4 May 2021.

#### 2 Statement of compliance

These financial results should be read in conjunction with the complete set of financial statements for the year ended 31 December 2020, which have been audited by Ernst and Young Chartered Accountants (Zimbabwe). The Group's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("the IASB"), International Financial Reporting Committee Interpretations ("IFRIC") as issued by the International Financial Reporting Interpretations Committee ("IFRS IC") and in a manner required by the Zimbabwe Companies and other Business Entities Act (Chapter 24:31), except for non-compliance with IAS 21 'The effects of changes in foreign exchange rates' and IAS 8 'Accounting policies - Changes in accounting policies, estimates and errors' in 2019. The financial statements are based on statutory records that are maintained under the historical cost convention except for investment properties, equity securities at fair value through profit or loss and insurance and investment contract liabilities that have been measured on a fair value basis. For fair presentation in accordance with International Accounting Standard ("IAS") 29, 'Financial Reporting in Hyperinflationary Economies', the historical cost information has been restated for changes in the general purchasing power of the Zimbabwe dollar ("ZWL" or "\$") and appropriate adjustments and reclassifications have been made. Accordingly, the inflation adjusted financial statements represent the primary financial statements of the Group and Company and historical cost information is supplementary.

The accounting policies applied in the audited abridged financial results are consistent with the accounting policies in the prior year financial statements, unless otherwise stated.

#### 3 Auditor's Statement

The Group's consolidated inflation adjusted financial statements from which these abridged results have been extracted, have been audited by the Groups' external auditors, Ernst and Young Chartered Accountants (Zimbabwe), who have issued an adverse opinion as a result of the impact of the following matters: non-compliance with International Accounting Standard (IAS) 21, "The Effects of Changes in Foreign Exchange Rates", IAS 8, "Accounting Policies, Changes in Accounting Estimates and Errors", the consequential impact on the inflation adjusted amounts determined in terms of IAS 29, "Financial Reporting in Hyperinflationary Economies" and inappropriate valuation of investment properties, and owner-occupied properties classified under property and equipment. The auditor's opinion on the Group's consolidated inflation adjusted financial statements is available for inspection at the Company's registered office. The engagement partner for this audit is Mr Fungai Kuipa (PAAB Practising Certificate Number 335).

#### 4 Functional and Presentation Currency

##### a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in the ZWL which is the Company and the Group's functional and presentation currency.

##### b) Currency developments in Zimbabwe

On 20 February 2019, the Reserve Bank of Zimbabwe ("RBZ") Governor announced a new Monetary Policy Statement ("MPS") whose highlights were:

- denomination of Real Time Gross Settlement ("RTGS") balances, bond notes and coins collectively as RTGS dollars ("RTGS\$"). RTGS\$ become part of the multi-currency system.
- RTGS\$ to be used by all entities (including government) and individuals in Zimbabwe for purposes of pricing of goods and services, record debts, accounting and settlement of domestic transactions.
- establishment of an inter-bank foreign exchange market where the exchange rate will be determined by market forces. The interbank market opened trading at a rate of USD1 to RTGS\$ 2.5

The MPS announcement was followed by the publication of Statutory Instrument ("SI") 33 of 2019 on 22 February 2019. The SI gave effect to the introduction of the RTGS\$ as legal tender and prescribed that "for accounting and other purposes" certain assets and liabilities and the effective date would be deemed to be RTGS\$ at a rate of 1:1 to the USD and would become opening RTGS\$ values from the effective date.

On 24 June 2019 another SI 142 was issued resulting in the abolishment of the multicurrency regime and introducing the ZWL as a mono-currency or sole tender. The ZWL was introduced at par with the RTGS\$.

On 26 March 2020, in response to the COVID-19 induced national lockdown, the RBZ announced the authorisation of the use of free funds in payment of goods or services. In the same announcement, the interbank foreign exchange was fixed at USD1:ZWL25.

On 23 June 2020, the RBZ introduced Dutch foreign exchange auction system, resulting in the free float of the exchange rate. The quoted exchange rates is determined as a weighted average of the bids on the auction.

On 24 July 2020, the Government of Zimbabwe issued SI 185 of 2020 which granted permission to providers of goods and services to display dual prices, in ZWL and USD.

	INFLATION ADJUSTED		HISTORICAL COST		INFLATION ADJUSTED		HISTORICAL COST	
	AUDITED GROUP	AUDITED GROUP	UNAUDITED GROUP	UNAUDITED GROUP	AUDITED COMPANY	AUDITED COMPANY	UNAUDITED COMPANY	UNAUDITED COMPANY
	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19	31-Dec-20	31-Dec-19
	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000	ZWL000

#### 5 Property, vehicles and equipment

At 1 January	228,939	131,203	18,499	10,541	2,832	2,282	131	59
Additions	63,596	125,148	42,846	9,811	210	1,054	78	89
Disposals	(54)	(2,825)	(36)	(192)	-	-	-	-
Depreciation charge and disposal	(61,903)	(24,587)	(5,482)	(1,661)	(78)	(504)	(41)	(17)
<b>At 31 December</b>	<b>230,578</b>	<b>228,939</b>	<b>55,827</b>	<b>18,499</b>	<b>2,964</b>	<b>2,832</b>	<b>169</b>	<b>131</b>

#### 6 Investment property

At 1 January	6,339,302	4,044,023	1,413,176	145,170	-	-	-	-
Additions	74	41,701	19	1,809	-	-	-	-
Transfer to Non-current asset held for sale	(48,818)	-	(48,818)	-	-	-	-	-
Disposal	-	(18,920)	-	(1,320)	-	-	-	-
Fair value adjustments	3,258,495	2,272,500	8,184,676	1,267,517	-	-	-	-
<b>At 31 December</b>	<b>9,549,054</b>	<b>6,339,303</b>	<b>9,549,054</b>	<b>1,413,176</b>	-	-	-	-

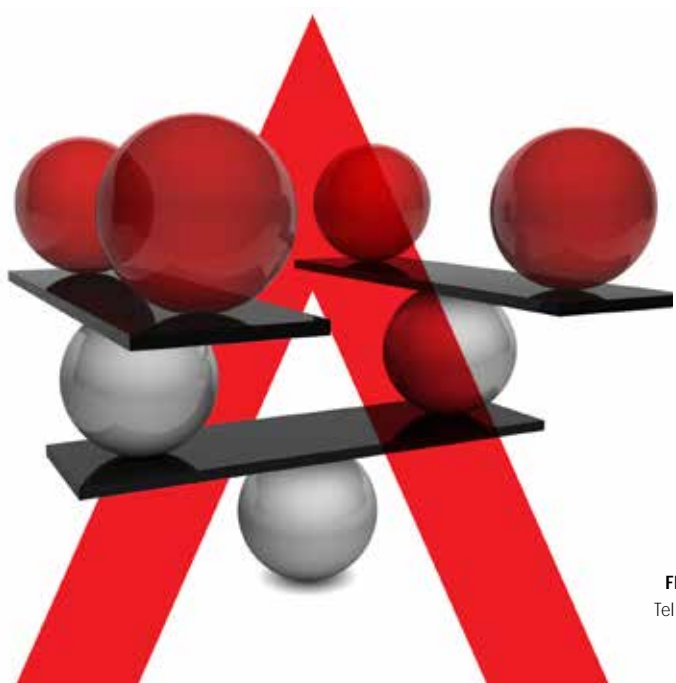


**SEGMENTAL RESULTS AND ANALYSIS**  
FOR THE YEAR ENDED 31 DECEMBER 2020

	Life ZWL000	Property and Casualty ZWL000	Health ZWL000	Property ZWL000	Other ZWL000	Gross Figures ZWL000	Consolidation Entries ZWL000	Total Consolidated ZWL000
<b>INFLATION ADJUSTED</b>								
As at 31 DECEMBER 2020								
Net Premium Earned	512,780	1,738,566	1,998,372	-	-	4,249,718	(75,491)	4,174,227
Rental income	-	14,005	-	269,617	-	283,622	(26,216)	257,406
Fair value adjustments on investment property	-	180,081	-	3,229,118	-	3,409,199	(150,704)	3,258,495
Investment income	2,077,700	168,332	164,852	3,199	836,817	3,250,900	(2,893,356)	357,544
Other income and fee income	236,920	431,446	197,916	155,620	151,648	1,173,550	(1,553,993)	(380,443)
<b>Total income</b>	<b>2,827,400</b>	<b>2,532,430</b>	<b>2,361,139</b>	<b>3,657,555</b>	<b>988,465</b>	<b>12,366,989</b>	<b>(4,699,759)</b>	<b>7,667,230</b>
Total expenses	(1,905,658)	(1,468,667)	(1,826,553)	(209,705)	(261,276)	(5,671,859)	143,283	(5,528,576)
Deffered acquisition costs	-	98,279	-	-	-	98,279	-	98,279
Total assets	6,536,796	1,567,197	956,560	9,687,731	3,653,900	22,402,184	(6,924,777)	15,477,411
Movement in insurance contract liabilities	(1,153,439)	-	-	-	-	(1,153,439)	-	(1,153,439)
Movement in investment contract liabilities	(265,289)	-	-	-	-	(265,289)	-	(265,289)
Total liabilities	5,129,968	905,499	445,760	921,977	609,264	8,012,469	968,921	8,981,390
Cash flows from operating activities	2,308,779	571,197	369,644	60,980	(106,347)	3,204,252	(1,661,326)	1,542,927
Cash flows generated from/ (utilised in) investing activities	909,940	(138,153)	(154,508)	1,091	75,834	694,204	(818,849)	(124,645)
Cash generated from/ (utilised in) financing activities	(4,528)	(16,850)	(62,031)	(12,307)	(118,348)	(214,064)	146,919	(67,145)
Profit before income tax	224,344	223,079	323,058	3,308,850	672,432	4,751,763	(2,614,840)	2,136,923
Income tax expense	(32,503)	(27,265)	(13,186)	344,967	(161,384)	110,630	95,674	206,304
<b>As at 31 December 2019</b>								
Net premium earned	837,741	1,771,745	1,622,331	-	-	4,231,817	27,408	4,259,225
Rental income	-	-	-	281,366	-	281,366	(45,926)	235,439
Fair value adjustments on investment property	-	82,653	-	2,191,262	-	2,273,915	(1,415)	2,272,500
Investment income	2,765,092	972	513,235	32,135	407,778	3,719,212	(5,400,496)	(1,681,284)
Other income and fee income	650,751	72,801	19,220	39,965	(236,139)	546,598	(1,512,545)	(965,947)
<b>Total income</b>	<b>4,253,584</b>	<b>1,928,171</b>	<b>2,154,786</b>	<b>2,544,727</b>	<b>171,639</b>	<b>11,052,908</b>	<b>(6,932,975)</b>	<b>4,119,933</b>
Total expenses	(987,943)	(1,701,854)	(1,559,766)	(159,254)	(132,794)	(4,541,611)	1,836,957	(2,704,654)
Deffered acquisitions costs	-	109,170	-	-	-	109,170	-	109,170
Total assets	4,588,565	2,918,407	568,047	6,386,726	2,690,267	17,152,012	6,363,972	10,788,040
Movement in insurance contract liabilities	780,757	-	-	-	-	780,757	-	780,757
Movement in investment contract liabilities	575,717	-	-	-	-	575,717	-	575,717
Total liabilities	3,607,294	1,632,094	259,523	1,154,411	34,496	6,687,818	205,175	6,892,993
Cash flows from operating activities	3,000,604	71,758	582,283	238,873	(28,212)	3,865,306	(3,924,041)	(58,735)
Cash flows generated from/ (utilised in) investing activities	(1,776,434)	(90,769)	(599,193)	(209,698)	141,548	(2,534,545)	1,947,038	(587,507)
Cash generated from/ (utilised in) financing activities	-	(12,952)	(278)	(100,572)	(224,116)	(337,919)	282,750	(55,169)
Profit/(loss) before income tax	353,379	275,558	(1,900)	2,969,085	45,668	3,641,790	(2,245,521)	1,396,269
Income tax expense	(32,855)	(70,956)	-	(1,421,888)	(99)	(1,525,798)	253,499	(1,272,299)

**SEGMENTAL RESULTS AND ANALYSIS**  
FOR THE YEAR ENDED 31 DECEMBER 2020

	Life ZWL000	Property and Casualty ZWL000	Health ZWL000	Property ZWL000	Other ZWL000	Gross Figures ZWL000	Consolidation Entries ZWL000	Total Consolidated ZWL000
<b>HISTORICAL COST</b>								
As at 31 DECEMBER 2020								
Net premium earned	337,432	1,193,115	1,425,528	-	-	2,956,075	(39,496)	2,916,579
Rental income	-	12,851	-	175,626	2,597	191,073	(16,316)	174,758
Fair value adjustments on investment property	-	649,176	-	8,052,578	-	8,701,754	(517,078)	8,184,676
Investment income	5,539,508	335,133	318,043	4,275	3,572,362	9,769,321	(8,294,818)	1,474,503
Other income and fee income	156,584	217,287	112,127	79,469	146,080	711,547	(93,676)	617,871
<b>Total income</b>	<b>6,033,525</b>	<b>2,407,561</b>	<b>1,855,698</b>	<b>8,311,947</b>	<b>3,721,039</b>	<b>22,329,770</b>	<b>(8,961,382)</b>	<b>13,368,388</b>
Total expenses	(3,150,779)	(1,248,298)	(1,386,736)	(135,255)	(1,469,765)	(7,390,832)	67,285	(7,323,547)
Deffered acquisition costs	-	56,783	-	-	-	56,783	-	56,783
Total assets	6,933,691	3,728,846	894,847	9,631,368	4,248,995	25,437,746	(10,446,775)	14,990,971
Movement in insurance contract liabilities	(3,602,820)	-	-	-	-	(3,602,820)	-	(3,602,820)
Movement in investment contract liabilities	(422,092)	-	-	-	-	(422,092)	-	(422,092)
Total liabilities	5,129,702	2,030,951	445,760	916,610	190,198	8,713,221	(336,997)	8,376,224
Cash flows from operating activities	50,261	1,568,936	425,872	31,953	(52,010)	2,025,010	(1,149,232)	875,779
Cash flows generated from/ (utilised in) investing activities	(14,089)	(478,105)	(127,256)	957	37,088	(581,406)	372,338	(209,068)
Cash generated from/ (utilised in) financing activities	(4,824)	(18,244)	(49,331)	(10,917)	(57,880)	(141,196)	108,290	(32,907)
Profit before income tax	1,581,331	1,141,532	478,462	8,176,692	3,497,571	14,875,590	(8,832,667)	6,042,923
Income tax expense	(1,625)	(168,070)	-	(610,733)	(1,379)	(781,808)	2,656	(779,151)
<b>As at 31 December 2019</b>								
Net premium earned	63,550	197,707	133,619	-	-	394,877	(1,485)	393,392
Rental income	-	-	-	23,548	-	23,548	(259)	23,288
Fair value adjustments on investment property	-	120,276	-	1,246,756	-	1,367,032	(99,515)	1,267,517
Investment income	768,325	46,136	40,933	488	444,290	1,300,172	(1,079,506)	220,666
Other income and fee income	1,631	13,719	17,329	12,399	13,915	58,993	(3,614)	55,379
<b>Total income</b>	<b>833,506</b>	<b>377,838</b>	<b>191,880</b>	<b>1,283,191</b>	<b>458,205</b>	<b>3,144,621</b>	<b>(1,184,380)</b>	<b>1,960,241</b>
Total expenses	(678,527)	(184,240)	(143,795)	(16,095)	(6,242)	(1,028,899)	4,517	(1,024,382)
Deffered acquisitions costs	-	7,648	-	-	-	7,648	-	7,648
Total assets	999,655	613,921	105,867	1,419,373	535,900	3,674,715	(1,366,807)	2,307,908
Movement in insurance contract liabilities	(568,050)	-	-	-	-	(568,050)	-	(568,050)
Movement in investment contract liabilities	(28,847)	-	-	-	-	(28,847)	-	(28,847)
Total liabilities	804,149	354,008	58,003	258,600	7,777	1,482,536	(23,081)	1,459,455
Cash flows from operating activities	12,505	193,747	35,950	12,615	(120)	254,698	(65,128)	189,570
Cash flows generated from/ (utilised in) investing activities	(29,223)	(18,705)	3,824	1,091	(11,861)	(54,874)	38,182	(16,692)
Cash utilised in financing activities	11,943	(3,277)	-	(92)	(3,607)	4,967	(9,310)	(4,343)
Profit before income tax	170,424	194,543	48,086	1,267,094	443,592	2,123,740	(1,190,425)	933,314
Income tax (expense)/credit	(4,824)	(32,157)	-	(236,552)	(36)	(273,568)	(1,565)	(275,133)



**FIRST MUTUAL**

**REINSURANCE**

Go Beyond

We help you **Go Beyond**

At First Mutual, when we say **Go Beyond** we want you to see a world where anything is possible. This is why First Mutual Reinsurance is designed to provide you with a reliable safety net. Together we can Go Beyond.

**FIRST MUTUAL REINSURANCE.** First Mutual Park, First Floor, 100 Borrowdale Road, Borrowdale, Harare, Zimbabwe. | P O Box 1083, Harare.  
Tel: +263 (242) 850317 - 19, 850320 - 23 | E-mail: info@firstmutualreinsurance.co.zw | Website: www.firstmutual.co.zw | +263 778 917 309

